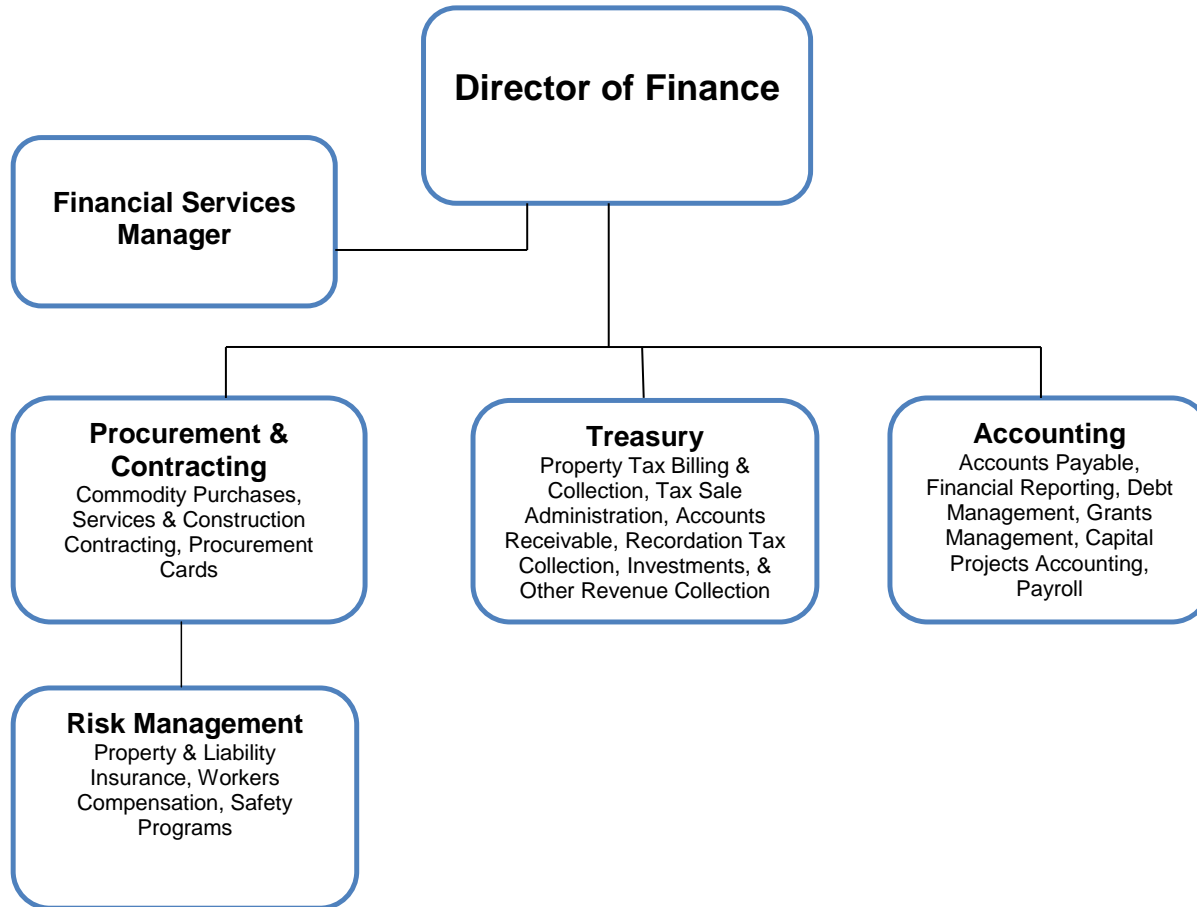


Frederick County Finance Division

Candidates Briefing

Finance Division Organizational Chart



Publications

- Financial Results
 - Comprehensive Annual Financial Report (CAFR)
 - Quarterly Financial Results
 - Single Audit – Schedule of Expenditures of Federal Grant Awards
- Debt Offering
 - Official Statement

Fund Accounting Structure

■ Governmental Funds

- General Fund
- Special Revenue
 - Grants
 - Agricultural Preservation Fund
 - 10 Others
- Capital Projects
- Other governmental (Support Capital Projects)
 - Impact Fees
 - Parks Acquisition & Development
 - School Construction
 - 1 Other
- Library (Component Unit)

Fund Accounting Structure

■ Proprietary Funds

- Enterprise
 - Water & Sewer
 - Solid Waste
 - Bell Court Apartments
- Internal Service
 - Fleet Services
 - Voice Services
 - Worker's Compensation

■ Fiduciary Funds

- Pension Trust
- Other Post Employment Benefits Trust
- 4 Agency Funds

Debt Management

County Bond Ratings

	2010	2014
Fitch	AAA/Negative	AAA/Stable
Moody's	Aa1 /Stable	Aa1 /Stable
Standard & Poor	AA/Stable	AAA/Stable

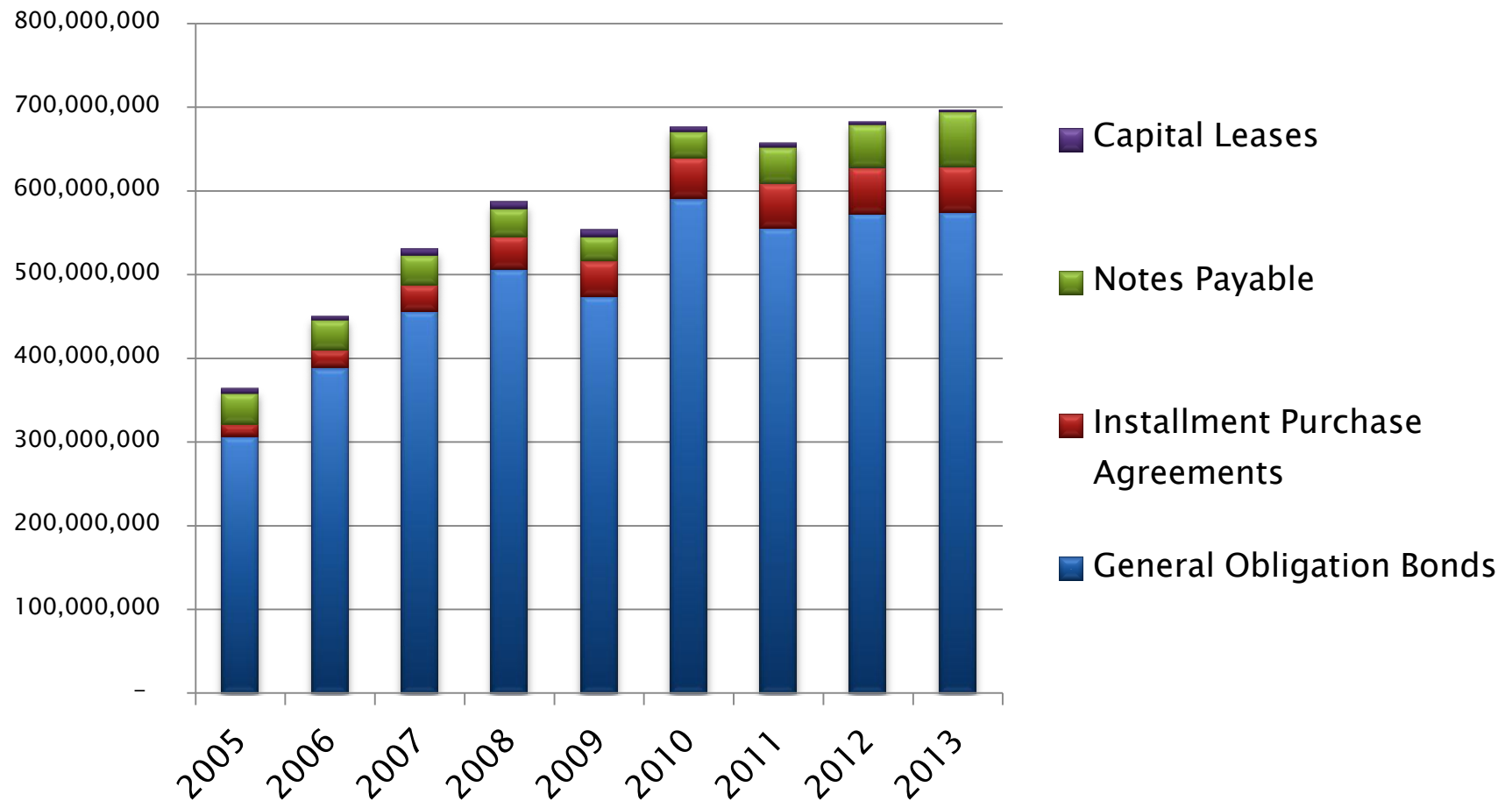
Debt Management

	Outstanding Debt as of June 30, 2013
General Obligation Bonds	\$ 574,525,000
Installment Purchase Agreements	53,783,983
Notes Payable	65,754,085
Capital Leases	2,260,619
TOTAL	\$ 696,323,687

Debt Management

	Outstanding Debt as of June 30, 2013
Public Schools	\$ 236,125,218
Frederick Community College	18,891,772
Water & Sewer	178,738,127
Solid Waste	27,269,858
Roads & Bridges	41,427,903
Parks & Recreation	5,798,899
Municipal	3,735,166
General Government	184,336,744
TOTAL	\$ 696,323,687

Debt Management



Retirement Plan Funding

Fiscal Year	Annual Required Contribution (ARC)	ARC Recognized in the Plan Financial Statements	Percent Recognized
2010	\$ 20,438,562	\$ 20,438,562	100%
2011	20,207,459	20,207,459	100%
2012	18,787,085	18,787,085	100%
2013	19,872,720	19,971,589	101%
2014*	20,884,132	21,884,132	105%
2015**	19,428,600	19,428,600	100%

*FY2014 Budget

**7/1/2013 Actuarial Valuation

Retirement Plan Funding (cont'd)

Actuarial Valuation Date	Actuarial Value of Plan Assets (AVPA)	Actuarial Accrued Liability (AAL)	AVPA as a % of AAL
7/1/2007	\$ 182,523,585	\$ 240,863,996	75.8%
7/1/2008	213,314,439	273,383,310	78.0%
7/1/2009	236,064,896	299,810,414	78.7%
7/1/2010	258,024,773	325,399,414	79.3%
7/1/2011	288,173,951	348,960,508	82.6%
7/1/2012	312,691,229	382,729,492	81.7%
* 7/1/2013	351,176,012	410,863,463	85.5%

*Market Value of Assets as of 7/1/2013 were \$377,936,001.
Funded Ratio on Market Value of Assets was 92%

Retirement Plan Actuary Projections

The actuary prepared a projection report in January 2014 for planning and budgeting purposes. Based on current plan assumptions and assuming that the County employer contribution remains approximately 19% for non-uniformed and 22% for uniformed, the six year projection report states that the funded ratio of the plan on a market value basis to be:

93%	–	7/1/2014
95%	–	7/1/2015
96%	–	7/1/2016
97%	–	7/1/2017
97%	–	7/1/2018

Other Post Employment Benefits

- Beginning in FY2008, the County committed to the GASB standards and adopted a 5-year phase-in relative to the ARC.
- Results of the latest actuarial valuation dated May 9, 2014 (evaluation date of 7/1/2013 for FY2015 and FY2016)

Fiscal Year	Annual Required Contribution	Actuarial Accrued Liability
2015	\$ 10,309,000	\$ 165,940,000
2016	10,723,000	176,930,000

- Contributions to date are as follows:

Fiscal Year	Annual Required Contribution at Full Funding	Annual OPEB Cost	Total County Funding
2008	\$13,858,000	\$ 13,858,000	\$ 16,499,487
2009	17,193,000	17,159,000	7,218,260
2010	18,552,000	18,637,000	11,523,254
2011	20,626,000	20,782,000	11,565,658
2012	18,943,000	19,252,000	19,252,000
2013*	13,924,000	14,192,000	18,389,186
2014*	14,423,000	14,655,000	14,655,000
2015*	10,309,000	10,466,000	11,466,000

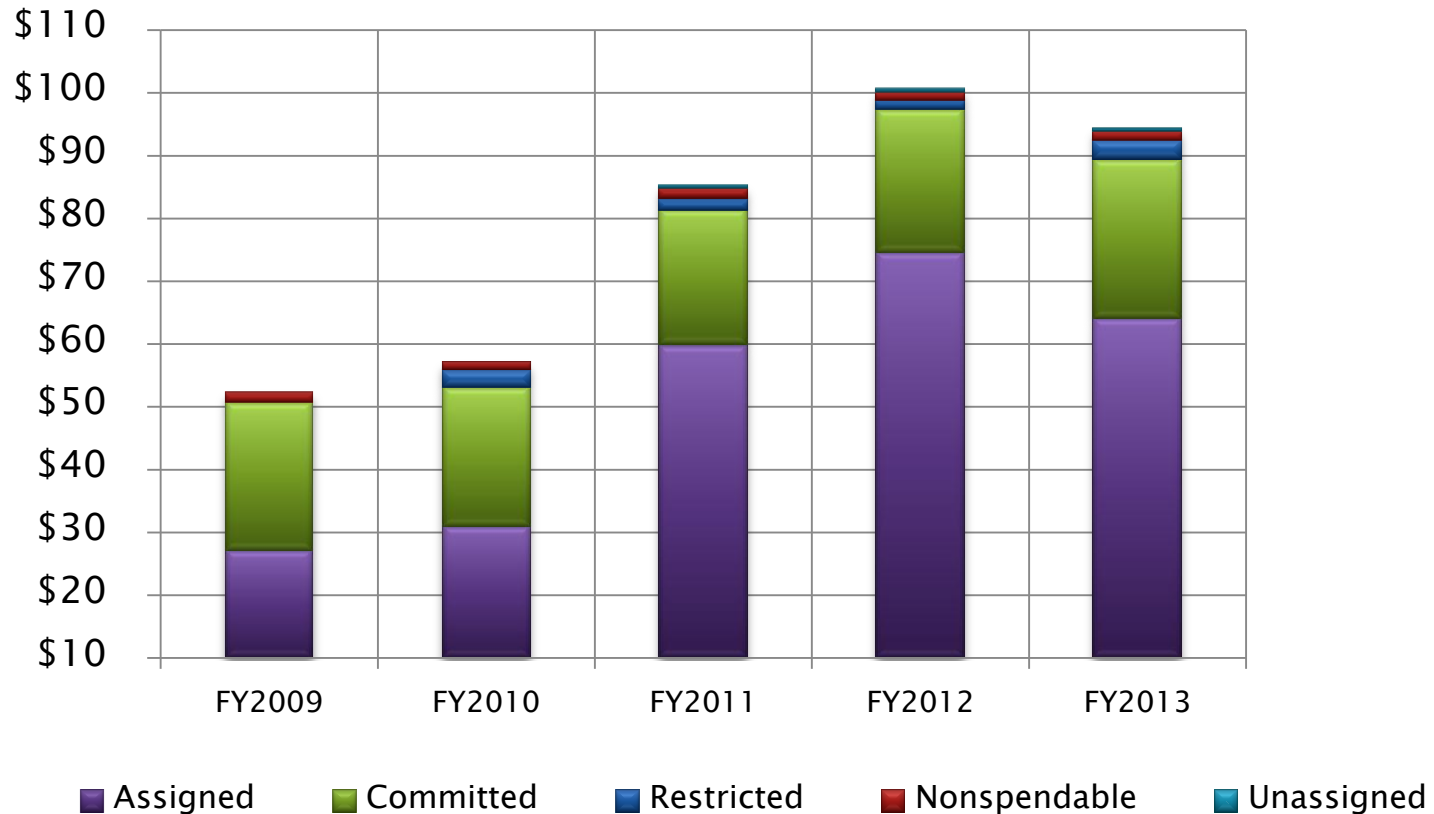
*Discount rate increased from 6.5% to 7.5%

OPEB Funding (con'd)

Actuarial Valuation Date	Actuarial Value of Plan Assets (AVPA)	Actuarial Accrued Liability (AAL)	AVPA as a % of AAL
7/1/2007	\$ –	\$ 148,969,000	0.0%
7/1/2008	13,327,892	173,968,000	7.7%
7/1/2009	15,499,400	189,631,000	8.2%
7/1/2010	25,171,478	211,958,000	11.9%
7/1/2011	37,696,695	195,525,000	19.3%
7/1/2012	53,312,000	175,466,000	30.4%
7/1/2013	65,885,000	188,928,000	34.9%
7/1/2014	90,146,000	165,940,000	54.3%
7/1/2015	100,924,000	176,930,000	57.0%

General Fund

Fund Balance by GASB 54 Category (\$in millions)



General Fund

Fund Balance Trends

	<u>FY 2009 *</u>	<u>FY 2010 *</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>
Nonspendable	\$ 1,573,753	\$ 1,319,614	\$ 1,647,689	\$ 1,245,845	\$ 1,448,707
Restricted					
Debt Service	–	2,730,808	1,748,141	1,481,720	3,075,002
Committed					
Enabling Legislation (5% set aside)	21,364,533	20,360,666	20,213,585	20,452,457	21,492,983
Bond Rating Enhancement	100,000	100,000	100,000	1,200,000	2,200,000
LOSAP	856,534	265,564	129,611	172,590	186,998
Encumbrances	1,234,303	1,392,495	1,017,253	983,290	1,314,251
Assigned					
Snow Removal	1,000,000	–	675,601	1,000,000	473,553
Fuel Reserve	–	–	–	–	1,502,939
Lobbying Monitoring	6,537	9,540	2,657	7,636	–
Year 1 Budget	15,332,736	10,857,905	20,129,637	38,355,177	34,564,993
Year 2 Budget	10,851,368	20,120,097	38,355,177	34,564,993	23,551,966
Income Taxes (Wynne Case)	–	–	–	–	3,414,828
Encumbrances	–	–	705,051	636,464	629,322
Unassigned	–	–	500,000	500,000	500,000
	<u>\$ 52,319,764</u>	<u>\$ 57,156,689</u>	<u>\$ 85,224,402</u>	<u>\$ 100,600,172</u>	<u>\$ 94,355,542</u>

*Balances reclassified to GASB 54 categories

** FY2014 is estimated